

Shoptalker

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MOST PARKER PEOPLE VACATION BOUND

At leisure, Parker Pen people are, typically, a nomadic bunch. At least this is the main conclusion drawn from a vacation survey taken among Janesville employes. Janesville-based Parker vacationers will collectively travel about 1,250,000 miles — more than twice the distance traveled by astronaut Gordon Cooper on his recent record-breaking flight through space.

Interesting estimates can be made by projecting the survey results:

Almost 70% are planning a trip.

The highest number of respondents (1/3) will travel over 2,000 miles on their annual vacation. Relative stay - at - homes, those who travel 200 miles or less on the yearly trek, are the smallest group of all (6%).

Parker vacationers are big business. Assuming average miles per gallon performance and average gasoline prices, we'll spend close to \$25,000 on gasoline alone for vacation trips.

Packing the family car is always one of the hardest jobs for the vacation-bound traveler. No matter how spacious the trunk, it seems there is never enough room for all the clothes and equipment necessary (or imagined necessary) for a vacation trip.

Almost everyone seems to have a "dream trip". When asked where employees would most like to go, California and Hawaii lead the list. Close behind are Europe and Canada. Florida ranks between Canada and Alaska—the latter was a surprisingly popular choice. Not at all surprisingly, "time" and "money" prevent the vast majority from making their "dream trip."

What do we do on vacation? Those who
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stay home loaf—and they didn't mind calling it just that when they answered the questionnaire. A vacation offers these people a chance to rest and relax. Many of the travelers do too, once they arrive at their destinations. "Taking it easy" at a cottage or resort are favorite ways to spend the vacation. Predictably—in our lake and stream filled state—water sports such as swimming, boating and fishing are popular.

The majority of those who take longer trips plan their journey so that they can see the interesting sights enroute. Many also chart their trip around visits to relatives and friends.

Experts offer a few simple tips that will make vacation travel more enjoyable: Hold a family conference to decide, in advance, the places you wish to visit on your trip. Don't try and plan too much. Be certain you can comfortably travel the distances required by your plan, without rushing. Even if you think you know what kind of weather to expect, pack clothes that will be comfortable during weather changes. Include a warm coat and rain coat (it might be the same garment) comfortable shoes and clothes that won't muss easily. Schedule your car for a check-up the week before you leave. Make sure you have emergency equipment such as a working tire jack and warning light. Advance preparations will keep worries and potential trouble to a minimum. Then, have fun.

Our own Arrow Park is a favorite stop for many vacation travelers. Recently an automatic tape recording device was installed at the north end of the Path of Nations. It delivers a recorded message telling visitors the philosophy and purpose of the 85 flags and native stones.

Shoptalker-In-Sound . . .

In this issue you will hear the following sounds of Parker:

- Dimitri Hanna, Sales Manager of our distributor in Lebanon, discussing Parker's position in his market.
- Account Managers' reactions following the sales
- meetings that introduced our back-to-school selling plans.
- The Path of Nations message.
- The soundtrack from a television commercial featuring the new animated Doodle character.

Narration by Roger Axtell



WHAT IS A WHOLESALER?

By George Wright

Editor's Note: Recent restructuring in the Domestic sales force positioned field men to better take advantage of mass marketing opportunities with certain popular-price lines. A segment of the sales force is now organized to direct their entire effort to developing wholesale business. Today, 80% of our Jotter retailers buy through wholesalers. Since wholesalers are so important to Parker domestic sales, SHOPTALKER asked National Sales Manager, George Wright, to explain who they are, what they do and how they fit the overall sales scheme.

Wholesalers buy merchandise from manufacturers and sell it—along with several valuable services—to retailers. As a service, the wholesaler provides local warehousing which makes any product quickly available to retailers in his market. This means the retailer can have a broad representation of Parker products without maintaining a burdening inventory—and make more sales on a smaller investment.

The wholesaler, through his salesmen, inform the retailer, keeping him abreast of the latest Parker product developments and sales programs. The wholesaler also provides the retailer credit which enables the retailer to finance his stock purchases and repay as the merchandise is sold.

Parker benefits in other ways from our wholesale operation. Wholesale merchandise storage provides that production schedules can be consistent without our having to store

large quantities of merchandise in Janesville. Wholesalers, for instance, are buying Christmas merchandise now. Retailers often wait until a few weeks before the Christmas selling season, causing difficult manufacturing and shipping problems.

Wholesalers also, in effect, increase our total sales force. Parker has approximately 100 Account Managers or salesmen. Wholesaler's sales forces increase by 13,000 the number of salesmen calling on retailers in our behalf.

Parker franchises several kinds of wholesalers, each serving slightly different types of retailers. Drug wholesalers sell pharmaceutical supplies ranging from vitamins to toothbrushes. Tobacco wholesalers distribute, principally, candy and tobacco. Jewelry wholesalers handle diamonds, watches, silverware—anything found in jewelry stores. Stationery wholesalers carry paper and stationery supplies. Pen wholesalers sell all makes of writing instruments. Parker products are sold by all categories. Of course, each wholesaler may also sell other makes of writing instruments.

Contrary to popular opinion, the function of a wholesaler actually does not increase the price of the merchandise to the consumer. Wholesalers receive a discount below a dealer's price because of savings they effect the manufacturer by providing a sales force, credit facilities and large volume purchases. The wholesaler receives, therefore, only what he saves in the distribution process.



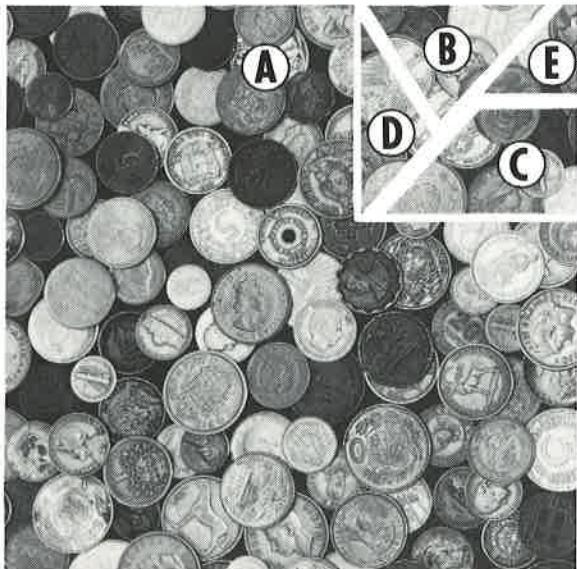
1962 in Brief . . . How We Did

Sales: Worldwide net sales of The Parker Pen Co. were \$43,276,656; up 2% from the 1961 figures.

Earnings before taxes: Showing a healthy 16% increase, earnings before taxes were \$3,629,072.

Provision for taxes: Taxes for which the company is liable based on income reported amounted to \$1,915,484.

Net earnings: After paying our corporate taxes there was \$1,713,588 left. This is the company's profit. From this money stockholders are paid for the use of their savings and provisions are made for future growth and expansion of the company.



Cost of Doing Business

Total Parker sales for 1962 were \$43,276,656

Here is how each dollar of sales income was spent:

- A. **Costs of Wages, Salaries, Benefits, Materials, Supplies and Services**—By far the biggest expense—89% of sales—this category includes materials used to make our products, costs of selling our products, advertising and promoting them, research and development costs and administrative expenses—as well as the wages, salaries and benefits paid to each of us as employes.
- B. **Cost of Plant Wear and Tear**—This is actually depreciation. A plant and its equipment depreciate as they age just as your automobile does. Last year depreciation of Parker facilities cost 2.7 cents for each dollar of income.
- C. **Costs of Taxes**—Just as any good citizen, the company pays taxes—lots of them. Last year Parker paid income, sales, property, school, federal and state, city, county taxes—and many more. Federal, state and foreign income taxes alone amounted to 4.4 cents out of every dollar taken in.
- D. **Paid in Dividends**—Last year investors received a little over 2 cents or 53% of the earnings available after taxes as their portion of each income dollar. This was their dividend for providing the investment necessary to operate our company.
- E. **Retained For Use In The Business**—Out of each income dollar, 1.8 cents was retained for use in the development and growth of the company. This represents 47% of the earnings available after taxes,





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